UNITED
NATIONS

A

General Assembly

Distr.
GENERAL

A/C.5/50/5
24 October 1995

ORIGINAL: ENGLISH

Fiftieth session
FIFTH COMMITTEE
Agenda item 121

UNITED NATIONS COMMON SYSTEM

Comments by the Coordinating Committee for International Staff Unions and Associations of the United Nations System

SUMMARY

Towards the end of the forty-second session of the International Civil Service Commission, the Coordinating Committee for International Staff Unions and Associations of the United Nations System (CCISUA) decided to withdraw from the Commission. That decision was made in the light of (a) the decision by the Commission not to recommend a change of comparator despite clear evidence that the German civil service was a better paid national civil service than the current comparator, and despite the fact that an overwhelming majority (11 out of 15) of the Commission's members supported that conclusion; (b) a climate of intimidation in the Commission that renders participation by its interlocutors meaningless. CCISUA's decision to withdraw was made deliberately and clearly before the Commission's discussion of the Geneva salary survey results. Since the Commission's report, which was adopted by less than two thirds of the Commission's members, does not accurately reflect much of what went on in the course of the debates, including CCISUA's reasons for withdrawing from the Commission, attached are (a) the statement made by the CCISUA representative when CCISUA withdrew (see annex I to the present document); (b) an open letter sent to the Chairman by the First Vice-President of CCISUA during the Commission session further clarifying CCISUA's reasons for withdrawing from the Commission (see annex II to the present document). The present document contains some additional technical clarifications concerning the study of the best-paid national civil service, which have been obscured in the report of the Commission to the General Assembly; a/ and an evaluation of the role of the Commission as an independent technical body. The lack of impartiality and independence of some of the Commission members has been confirmed, once again, by the fact that a written report was sent by

95-32129 (E) 311095 021195

/...

a Commission member to that member's Government on the outcome of the Commission's forty-second session. Such a report makes a mockery of the impartiality/independence of the Commission, as well as of the idea of consensus as opposed to voting which has been advanced as a reason for not recommending a change of comparator. In view of the absence of improvement in the functioning of the Commission and the outstanding problems concerning its adequacy as an independent, impartial and technical body, CCISUA is requesting the General Assembly to declare a moratorium on the consideration of pensionable remuneration issues scheduled for 1996 until the question of the consultative process has been addressed and resolved.

The report submitted to the General Assembly by the Commission fails to reflect the Commission's proceedings accurately. The present report of CCISUA provides information on the Commission's forty-second session that has been obliterated from the report to the General Assembly.

The International Civil Service Commission (ICSC) deferred consideration of remuneration issues, including the best-paid national civil service, for six and more years. During that period, common system remuneration was frozen and lost purchasing power, which to this day has not been recovered. During that period also, other potential comparators - not to speak of the private sector and other international organizations - continued to give remuneration increases in many cases above cost-of-living movements. For the common system staff to find now that even modest remuneration proposals of ICSC, which are way below what could have been expected from an impartial analysis of the remuneration situation in the common system, are not implemented for financial or other considerations is both unacceptable and unfair. It also sends a clear message about the interest of the world community in the common system organizations.

CCISUA therefore is requesting the General Assembly:

(1) To address without delay the question of the restructuring of the Commission;

(2) To declare a moratorium on the comprehensive review of pensionable remuneration scheduled for 1996 until the question of the consultative process has been addressed and resolved;

(3) To adopt in full the recommendations on remuneration made by the Commission in its report to the General Assembly at its fiftieth session, bearing in mind that (a) common system remuneration was frozen and lost purchasing power at a time when everywhere else remuneration levels were going up; and (b) the Commission's recommendations represent only part of what the common system is due.

---

a/ Official Records of the General Assembly, Fiftieth Session, Supplement No. 30 (A/50/30).

I. ARE UNITED STATES SALARIES HIGHER THAN GERMAN SALARIES?

1. During the forty-second session of the Commission, two Commission members continued to maintain, despite all evidence to the contrary, that United States federal civil servants were better paid than their German counterparts. The sections of the Commission's report dealing with this issue 1/ make it difficult to draw an independent conclusion. The reason for this is that changes introduced by the minority members during the adoption of the report obscure the facts that the Commission had before it. The text of the Commission's report to the General Assembly distorts and/or does not include factual information provided during the session. This was in part due to the adoption of the relevant parts of the report after the scheduled closure of the session. At that time, several of the majority members who held opposing views were unavoidably absent.

2. The Commission's minority members who wanted to retain the current comparator based their approach on a series of considerations. They were mostly aimed at rejecting the German civil service as a replacement for the current comparator. The points raised by those members during the forty-second session are summarized below. The technical arguments advanced orally and in writing to counter the points made by those minority members have not been adequately reflected in the Commission's report to the General Assembly - a recurring problem in dealing with the Commission. It should also be noted that total compensation comparisons are the standard methodology used by outside consultants.

A. The minority members alleged that the total compensation comparison approach adopted by the General Assembly was wrong: only net remunerations should be compared

3. The Commission's minority members claimed that the total compensation comparison methodology adopted by the General Assembly on the Commission's recommendation was deficient. In the case of the German civil service, net remunerations alone - without regard to pension and health insurance benefits and holidays and work hours - should be compared. Such a narrow approach not only contravened the methodology already adopted by the General Assembly; it also does not stand up to logical analysis.

4. The studies before the Commission clearly showed that the Swiss civil service is considerably better paid than the American federal civil service if only net remuneration is compared. The total compensation results of the Swiss civil service study were readily accepted by these minority Commission members. The methodology used for comparing pension and health schemes was not questioned, in spite of the fact that there were indications that Swiss pension measurements were not accurate.

5. A related issue discussed at great length during the forty-second session was the one concerning the methodology to calculate net remuneration. CCISUA submitted a detailed technical report on this issue to the Commission at its

forty-second session. 2/ There is no reference to its contents in the Commission's report to the General Assembly.

6. It seems perfectly reasonable, when comparing net remuneration levels, that if in one system employees are required to pay pension contributions and in the other they are not, the amount of the employee's pension contribution should be deducted from the salary net amount. The minority members, however, ignored this point. They also refused to take into account in net remuneration comparisons any comparison of the number of work hours and holidays, although they had not questioned this approach when considering the study of the Swiss civil service, where employees work longer hours than their United States counterparts.

B. The minority members claimed that the grade equivalency study conducted by the secretariat of the Commission to compare remuneration levels was flawed

7. These minority members based their conclusion that the grade equivalency study was flawed on the German Government's reluctance to accept the grade equivalencies determined in the secretariat study - in particular those at the D-2 level. The reasons given by the German Ministry concerned were unrelated to a strictly technical evaluation of the study, and had more to do with domestic considerations and the placement of German nationals in the United Nations system. These reasons were explained in letters sent to the Commission during the forty-second session. The content of these letters has not been reproduced or even alluded to in the text of the report. In the report there is no indication, either, of the fact that when the secretariat cross-checked the results of its German civil service/United Nations grade equivalency study with grade equivalencies between the Organisation for Economic Cooperation and Development (OECD) and the German civil service, it appeared that the equivalencies established by the secretariat were, if anything, too conservative. The German Government had participated in the German civil service/OECD grade equivalency study and had had no difficulty validating them. The Commission's report to the General Assembly omits this information altogether. In addition to this, the Commission, including the minority members, had adopted the grade equivalency study at the forty-first session, before the remuneration results were out.

C. One minority member believed that just as reduction of dominance had been used to give all pay systems of the current comparator equal weight in United Nations/United States margin comparisons, reduction of dominance should also be applied to the United Nations/German calculations with regard to the two groups of staff in the German civil service (Angestellten and Beamten)

8. Reduction of dominance is a statistical concept. It consists in assigning to the individual data used to calculate an average a weight different from the actual weights of the individual data. This is not done arbitrarily or capriciously, but involves an evaluation of the situation to justify the use of this procedure. Reduction of dominance is used, upon the Commission's

recommendation, in the context of the methodology for the study of the best prevailing conditions of service for the General Service and related categories.

9. Over the years the United States federal civil service has seen a proliferation of pay systems. This has been necessary to cope with recruitment and retention problems resulting from its general lack of competitiveness. The General Schedule, the most numerous of all United States pay systems, does not benefit from any special pay systems. The Commission, at its forty-second session, decided to recommend the use of equal weights for all United States pay systems in recognition of the fact that the proliferation of pay systems in the comparator civil service was a way of coping with serious staffing problems resulting from the lack of competitiveness of its remuneration. The Commission already recognizes the need to reduce dominance in the comparisons with private sector employers to determine General Service salary levels. Even with the Commission's decision to use equal weights in United Nations/United States margin comparisons, the United States federal civil service proved to be uncompetitive vis-à-vis its German counterpart.

10. The proposal to reduce dominance in the German civil service data, advanced by one member of the Commission, did not meet with support and was basically result-oriented. The German civil service has two categories of employees: Angestellten and Beamten. The distinction between the two groups has nothing to do with a need to attract and retain staff as a result of lack of competitiveness, as has been the case in the current comparator. These two categories of staff have different benefits but, by and large, at comparable grades, their total compensation levels are comparable. For example, in the case of the Beamte no pension contributions are made by the employee; although the Angestellte makes pension contributions, he/she enjoys tax benefits to compensate for pension contribution deductions. The contention that reduction of dominance should be applied to the German civil service data to take into account the distribution of those two categories of staff stems at least from lack of familiarity with statistical concepts. It is for this reason that CCISUA has advocated, and continues to advocate, the need for experts on international comparisons and statistical questions among members of the Commission.

D. One minority member has claimed that over the past three years the Commission has taken several measures to improve the competitiveness of United Nations remuneration

11. This statement is deliberately misleading. Over the last three years, on the basis of technical representations by CCISUA, the Commission has rectified certain flaws in United Nations/United States margin comparisons that should never have been there in the first place. In more than one case, the "improvement" has merely meant going back to earlier methodology, or, as in the case of dominance reduction, applying a consistent approach to both categories of staff, Professional and General Service, on the basis of solid technical considerations. The Commission has not taken any measures to "improve" the competitiveness of United Nations remuneration. It has only acknowledged methodological flaws, some of which were the direct result of previous political decisions.

II. HOW THE COMMISSION BETRAYED ITSELF AND ITS INTERLOCUTORS

12. At the end of the day, the fact remains that the Commission, in spite of a clear mandate given to it by the General Assembly to review the application of the Noblemaire principle, continued to cling to its traditional interpretation of the principle in terms of the "best-paid national civil service" and, with perverse logic, refused to recommend a change of comparator, weakly alleging that "notwithstanding a strong presumption in favour of the German civil service as a comparator, the conditions for changing the comparator were not, under current circumstances, in place". 3/

13. In so doing, the Commission betrayed not only its interlocutors but also the mandate given to it by Member States.

III. IS THE COMMISSION NECESSARY?

14. The Commission was created in 1975 to act as a buffer between administrations and staff, in particular in matters concerning salary surveys and post adjustment. It was meant to be strictly an independent technical body. This was at a time when the system was much easier to administer than it is now, partly because it was not under the current financial, re-engineering constraints, and partly also because the global situation was much more stable and predictable than it is at present. Given the stability of currencies in general and the United States dollar in particular, as well as the low inflation rates prevalent at the time, a system based on the strength of the United States dollar and the American economy did not present major challenges.

15. All this changed with the collapse of the Bretton Woods system and the breaking loose of inflation. The substantive world-wide changes that gave rise to the current precariousness have rendered previous approaches obsolete. Abrupt currency swings coupled with the steady depreciation of the United States dollar and wildly disparate inflation rates require substantial knowledge of international cost-of-living comparisons if a post adjustment system that was conceived to operate in relatively stable situations is to meet these challenges adequately. This expertise is currently lacking among Commission members. Expertise on personnel matters as required by the Commission's Statute is hardly relevant when the Commission's attention tends to be focused almost exclusively on compensation issues.

16. The Commission, when urged to take a look at itself, has failed to make more than a few token gestures - mostly in the wrong direction. To "streamline" its procedures, it has decided to hold only one substantive session per year, with the second one to be devoted to report adoption. Every session in the last few years, and the forty-second session was no exception, has proved to be too short to deal with the complex issues on the Commission's agenda. At a time when the Commission is about to embark on the review of pensionable remuneration, this procedural decision, one of the Commission's major contributions to the discussion on the consultative process, seems to be at least ill-advised.

17. CCISUA has insisted on the need to have experts on international cost-of-living comparisons among members of the Commission. In fact, it has proposed that the Commission be replaced by a body composed of experts on international cost-of-living comparisons from national statistical offices. This body would submit its technical conclusions to the General Assembly, which would then make the necessary political/financial decisions.

18. The Commission's discussions on the consultative process were mostly sterile. This is, to some extent, understandable. The question of the Commission's functioning, however, is of crucial importance and should not be forgotten in the current flurry concerning the Commission's recommendations on remuneration.

IV. CCISUA'S REQUESTS TO THE GENERAL ASSEMBLY

19. In view of the above, CCISUA would like to request the General Assembly:

(a) To address without delay the question of the restructuring of the Commission, bearing in mind the need to make expertise on international cost-of-living comparisons and statistical and compensation questions the primary criterion for the future composition of the Commission or any other body that might be established in its place;

(b) To declare a moratorium on the comprehensive review of pensionable remuneration scheduled for 1996 until the question of the consultative process has been addressed and resolved;

(c) To adopt in full the remuneration recommendations made by the Commission in its report to the General Assembly at its fiftieth session, bearing in mind that:

(i) Common system remuneration was frozen and lost purchasing power at a time when everywhere else remuneration levels were going up;

(ii) The Commission's recommendations represent only part of what the common system is due to make its remuneration competitive vis-à-vis that of a potential comparator which the Commission refused to recommend, in abdication of its mandate and technical responsibilities.

Notes

1/ Official Records of the General Assembly, Fiftieth Session, Supplement No. 30 (A/50/30), paras. 143-172.

2/ See ICSC/42/CRP.10.

3/ Official Records of the General Assembly, Fiftieth Session, Supplement No. 30 (A/50/30), para. 172 (g) (ii).

ANNEX I

Statement dated 7 August 1995 by the First Vice-President of the Coordinating Committee for International Staff Unions and Associations of the United Nations System on the structure of the salary scale and reasons for withdrawing from the International Civil Service Commission

1. With regard to the question of the structure of the salary scale CCISUA would like to note that all the proposals before ICSC (i.e. those contained in ICSC/42/R.11, the CCAQ proposal or the United Nations proposal) aim at correcting with one stroke the effects of a gradual process of deterioration spanning a forty-year period. CCISUA also wishes to point out that, as demonstrated in the documentation before the Commission at its current session, common system salaries for the Professional and higher categories are uncompetitive at all levels. In fact, they **lag by about 20 per cent those of a potential comparator (the German civil service)** that the Commission recently decided not to use in lieu of the current one. All proposals concerning the structure of the salary scale have been formulated in the context of increases in Professional remuneration of between 4.8 and 7 per cent, this against a background of no real salary increases for the Professional and higher categories since 1990. Is the Commission aware that under the proposals under consideration there would be increases of about **1,000 dollars a month at D-2 level and 100 or less a month at P-1 level?** While this approach, if adopted, would replicate conditions of service in the current comparator (the US federal civil service), is it appropriate to impose it on the common system when Professional remuneration levels are uncompetitive at all grades? The Commission may choose to ignore these facts - it has done it in the past - but we have the obligation, as staff representatives, to tell it the negative and demoralizing impact that such an approach would have.

2. **While I have the floor, allow me to address an issue which also has far-reaching implications.** Over the last few days, the staff representatives have stood by helplessly as the Commission endeavoured to justify with "technical" arguments what was effectively a political decision - or, as you prefer to call it, a practical decision.

3. We happen to be among the fools ("imbéciles" in your words last week) who believe that the Commission **should be a technical body of independent experts rather than a political body. We also happen to be among the "imbéciles" who take this Commission seriously.** It is interesting that the Commission, that is so averse to "pressure" from those that are its mandated interlocutors, has, however, yielded to pressure from a third party, who are not participants in the consultative process. CCISUA has advocated open meetings instead of closed meetings. But this means meetings open to all and not just the select few the Commission finds convenient to allow into the room. We believe that, if the Commission held open meetings, it would not be possible for it to subject its interlocutors to the intimidation and harassment they are subjected to in closed meetings by those who do not believe in the need for a **democratic exchange of views.**

4. We have come to the end of the road after what has been a difficult journey. We believe our presence here is superfluous. To those members who over the years have shown respect for the presence and views of their interlocutors we would like to extend our special thanks and appreciation.

ANNEX II

Open letter dated 11 August 1995 from the Acting President of the Coordinating Committee for International Staff Unions and Associations of the United Nations System to the Chairman of the International Civil Service Commission

1. After CCISUA decided to withdraw from the work of the Commission on 7 August, the CCISUA delegation was approached by several Commission members, including yourself, who expressed concern about the staff representatives' absence. I am writing to you because I feel it is our obligation vis-à-vis those members of the Commission who, over the years, have shown their respect for the Commission as an institution, for its mandate and for its interlocutors to dispel any doubts concerning the reasons for CCISUA's withdrawal.

2. CCISUA's decision to withdraw was not made on the spur of the moment, as a knee-jerk reaction to a single isolated event, or, as has been intimated by some in the past, because of unhappiness with a Commission's decision that did not respond to its wishes. We sincerely believe that the Commission as an institution is going through a serious crisis, that its functioning is profoundly flawed and that it has ceased to perform the role it was meant to play in the common system as a body of independent experts. But the Commission refuses to look at itself in the mirror.

3. The staff organizations have outlined their problems with the Commission's functioning on several occasions, most recently in Montreal, during the Commission's forty-first session, as well as at the Commission's current session in New York. We can understand that the Commission should have been unable to look into any proposals aiming at institutional changes exceeding its mandated prerogatives. On the other hand, we cannot understand that the main change introduced in response to its interlocutors' concerns and the General Assembly's request to improve the consultative process should be its decision to hold two shorter sessions, only one of which will be devoted to the discussion of substantive issues.

4. The change in the length and purpose of the Commission's sessions was proposed by the secretariat at the Commission's forty-second session without prior consultation with the Commission's partners. At a time when issues are increasingly complex and numerous, this approach is, at least, self-defeating. CCISUA has expressed its serious concerns about the fact that the second session will be devoted to the adoption of a report that will be prepared in between sessions. One of the main problems with the functioning of the Commission in the past has been with the introduction of changes in the Commission's reports after their adoption. Such changes, reflecting the points of view of selected parties, were introduced without consultation with the other parties in the process. We believe that the new arrangements will only exacerbate this situation.

5. In any case, the most unfortunate aspect of the Commission's consideration of measures to improve the consultative process is that it has failed to propose any meaningful changes in its functioning to meet the concerns not only of its partners but also of the General Assembly.

6. At a procedural level, CCISUA sincerely regrets the tone that the Commission's debates have taken. Language and attitudes that do not belong in a conference room have become current at each session. The staff representatives are often - though not exclusively - the subject of what amounts to a pattern of intimidation of the Commission's mandated interlocutors. The tapes of the Commission's debates bear witness to this.

7. Another aspect of the functioning of the Commission that has been a source of deep disappointment for its interlocutors over the years has been this body's increasing politicization. The fact that the Commission should put aside sound technical considerations to meet political concerns that often reflect the point of view of a minority has been, and continues to be, a serious problem.

8. The latest example in this regard relates to the study of the best paid national civil service. Under the General Assembly's mandate, the Commission should have undertaken this study at the time of the comprehensive review of the conditions of service for the Professional and higher categories (1988-1990). In 1991 the Commission decided, basically for political reasons, to divide the study into two phases. This new approach delayed the process for an additional four years.

9. At its Montreal session (April-May 1995), the Commission had before it the results of the grade equivalency studies with the German and the Swiss civil services. At that session it decided:

"(a) To proceed with further remuneration comparisons on the basis of the grade equivalencies shown in annex V, subject to refinements which may be required as a consequence of the exercise to validate the grade equivalencies which had been determined on the basis of the Master Standard;

"(b) To note that the further remuneration comparisons would be based on a total compensation approach in accordance with the established methodology for phase II studies."

10. When the Commission considered this question at its current session, it had before it remuneration comparisons between the United States and the German and Swiss civil services which showed, on the basis of a total compensation comparison approach, that the German civil service was better paid by 15 per cent than the United States federal civil service, whereas the Swiss civil service, on the basis, again, of a total compensation comparison approach, was paid 15 per cent less than the current comparator.

11. The Commission quickly proceeded to adopt the results of the total compensation comparison between the United States and the Swiss civil services. When it came to the German civil service, however, the Commission soon became stalemated. An overwhelming majority of its members considered that the results clearly showed that the German civil service paid its employees better than its United States counterpart. A small minority, on the other hand, insisted that this was not the case. Over several meetings various arguments were provided in support of this position. The arguments advanced by the minority included the following:

(a) A comparison of net remuneration amounts showed that the United States civil service was better paid than the German civil service;

(b) The United Nations/German grade equivalencies that the Commission had adopted in Montreal were not valid; the German Ministry of Foreign Affairs contested the suitability of the United Nations Master Standard and used different grade equivalencies for placement of its nationals in common system organizations;

(c) Reduction of dominance should be applied to the German civil service - as had been done in the context of United Nations/United States comparisons - to give the Angestellte group the same weight as the Beamte group.

12. The counter-arguments advanced by majority Commission members, the Commission's secretariat and the Commission's interlocutors (organizations and staff) can be summarized as follows:

(a) The methodology adopted by the Commission in 1991 (which had delayed completion of the study of the best paid national civil service) and approved by the General Assembly provided for total compensation comparisons, rather than net remuneration comparisons. If the methodology were to be changed, the Commission's decision on the Swiss civil service would have to be reviewed. On the basis of net remuneration comparisons, Swiss civil service pay was 14 per cent higher than United States pay. In addition to this, the data used by minority members to propose net remuneration comparisons only with the German civil service were raw data extracted from annex II of ICSC/42/R.7 (Part II), where they were being used for total compensation comparisons. When adjusted to take into account that German civil servants - unlike their United States counterparts - did not pay pension or health insurance contributions, German net pay was still higher than United States pay;

(b) The German Ministry of Foreign Affairs, in letters circulated in the Commission (an unprecedented situation, as was the fact that German representatives were allowed into the conference room), contested the validity of the grade equivalency study for what appeared to most, including the ICSC Chairman, to be political, and domestic, rather than technical reasons. The German civil service was not keen to be proclaimed the best paid national civil service. Other civil services, including the Swiss civil service, have had similar misgivings. The current comparator, by its own recognition seriously underpaid vis-à-vis the private sector, does not appear concerned in this regard, and, for its own reasons, would rather retain its current status. The Ministry of Foreign Affairs was also concerned about the placement of its nationals if the grade equivalencies established by the Commission were to be applied. When reassured that this was not the case, it appeared to be satisfied in this regard. Finally, the Ministry questioned the suitability of the Master Standard. This is a point-factor job classification tool used by the United Nations in its comparisons with the United States federal civil service. The current comparator also applies a rank-in-post approach to job classification. The German civil service, on the other hand, appears to follow more of a rank-in-person approach. From a methodological point of view, comparisons between rank-in-person and rank-in-post systems are entirely valid. The Commission was also informed that German civil service/OECD comparisons, which have never been contested, showed via a triangular comparison (German civil service/OECD/United Nations) that the United States/German grade equivalencies arrived at by the Commission's secretariat were one grade below those that the German Government accepted for comparisons with OECD;

(c) In the context of the United Nations/United States net remuneration margin comparisons, the Commission at its current session decided to reduce the dominance of the General Schedule - the most numerous and most seriously underpaid of the United States federal civil service pay systems - by assigning equal weights to all pay systems used in net remuneration margin comparisons. Some of these United States special pay systems pay their employees up to twice as much as the General Schedule. One member of the Commission reasoned that if reduction of dominance was used in United Nations/United States comparisons, it should also be used in United States/German comparisons. This meant giving the two German civil service groups (Angestellte and Beamte) equal weights. In so doing, the difference between the United Nations and the German civil service was reduced by about three percentage points. It was explained that comparisons in the context of the study of the best paid national civil service were between the United States and the German civil services NOT between the United Nations and the German civil service. The reason why reduction of dominance had been applied by the Commission in the NET REMUNERATION COMPARISONS between the United Nations and the United States was that the United States federal civil service had seen over the last twenty years a proliferation of special pay systems as a result of the continuing deterioration of its conditions of service. This was not the case with the German civil service, which, from the point of view of pay, was a monolithic system. In any case, comparisons between the German civil service and the United Nations at this point were irrelevant. The purpose of the study of the best paid national civil service was to determine, from a total compensation comparison point of view, whether there was a better paying national civil service than the current comparator. This had been clearly shown to be the case. The German civil service compensation was 15 per cent higher than United States federal civil service compensation. Reduction of dominance is a statistical tool, which can be applied to any calculation. If it was to be applied to the distribution of United Nations Professional staff to mitigate the impact of the concentration of staff at the top of their grades, net remuneration margin calculations would be substantially affected. CCISUA has advocated, in the context of the discussions on the consultative process, that a certain proportion of members of the Commission be appointed from national statistical offices. Knowledge of the value, relevance and limitations of statistical tools is essential to decisions involving statistical procedures. Unfortunately, such expertise is currently lacking in the Commission.

13. The Commission - by 11 votes against four - recognized that the German civil service was a better employer than the current comparator. However, for "practical" reasons it felt it could not under current circumstances recommend a change of comparator. Once again, those who believe that by reiterating a point of view it

becomes valid, had had their way. As a result, when discussing the issue of competitivity in the context of the review of the Noblemaire principle, the Commission had no longer a benchmark against which to make recommendations to the General Assembly. Having determined, for reasons as "practical" as those outlined above, that the application of the Noblemaire principle was to be restricted to the best paid national civil service, and having successfully disposed of the German civil service, there was no longer a reference against which to recommend increases in United Nations remuneration - a remuneration which, by the Commission's own recognition, lags by 50 per cent and 40 per cent, respectively, behind OECD and World Bank pay. One member of the Commission recognized the danger of this approach and pointed it out (to little avail) to his colleagues.

14. A further trend in recent years in the Commission that has, in CCISUA's view, very negative connotations relates to attempts to carbon copy the United States federal civil service system. The failure to comprehend that the Organization is an international civil service with staff of all nationalities scattered all over the world and with values in some cases radically different from those prevalent in the United States (where less than 15 per cent of the staff work) is not only shortsighted but extremely damaging. Evidence of such myopia became apparent in the discussion on the restructuring of the Professional salary scale. After five years of no real increases in common system remuneration, and clear evidence of the lack of competitivity of United Nations remuneration at all levels, the Commission considered proposals to increase remuneration at the Director levels by as much as ten times more in dollar terms than at the Professional levels. This was considered in the context of 5 to 7 per cent net remuneration increases for the Professional and higher categories. This approach follows the pattern of increases granted to the comparator's high-level staff a few years ago. It should be noted, however, that such insensitiveness to an international milieu is not generally shared in the Commission.

15. We are convinced that the Commission has a serious role to play in the common system. If, however, it is to become the body of independent experts it was meant to be under its Statute, it will be necessary at least to introduce meaningful changes. Against all odds, CCISUA continued to participate in the work of the Commission at a time when its sister federation had decided to break ranks. We believed, and continue to believe, in serious participation; we believe in a democratic - albeit respectful - exchange of views; we also believe in a Commission that makes its decisions on technical, rather than political, considerations. We are ready to work with the Commission, or any other body that might succeed it, as long as all participants are treated with due consideration, their views are respected and listened to, Commission members accept majority rule and all their

views are given equal weight. At present these conditions are not fulfilled, and we feel forced to continue our work outside the Commission's framework.

16. To those Commission members who share our views and purposes we would like to extend our appreciation and gratitude. I would appreciate it if you could circulate this letter among members of the Commission before the end of the forty-second session.

(Signed) Antonio LOMBARDI
Acting President
CCISUA